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THE DEPUTY SECRETARY OF DEFENSE
WASHINGTON, D. C. 20301

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20 NOV 1974

MEMORANDUM FOR LIEUTENANT GENERAL BRENT SCOWCROFT, DEPUTY ASSISTANT
TO THE PRESIDENT FOR NATIONAL SECURITY AFFAIRS

SUBJECT: Changes In U.S. Force Levels on Taiwan (C)

(TS) This memorandum responds to your verbal request for alternative plans to accomplish a 25, 50 and 100 percent phase-down of nonintelligence forces on Taiwan.

(TS) Projected U.S. nonintelligence force strengths on Taiwan for end FY 1974 and end FY 1975 are 3,550 and 2,277 respectively. Composition of these force levels is covered in Annex A. Alternative plans for a 25, 50 and 100 percent phase-down of U.S. nonintelligence personnel remaining on Taiwan at end FY 1975 are outlined in subsequent paragraphs.

(TS) The following actions, listed in order of priority, represent the 25 percent phase-down plan (column III, Annex A):

- a. (TS) Utilize contractor personnel to accomplish some of the War Reserve Materiel (WRM) storage, to support the depot maintenance function, and to perform base security functions at Tainan Air Base. This will permit a reduction of 282 spaces.
- b. (TS) Reduce the U.S. Air Force communications group at Ching Chuan Kang (CCK) Air Base, thereby saving 92 spaces.
- c. (TS) Phase out the 327th Air Division and reduce associated support at Taipei Air Station and other operating locations, thereby saving 411 spaces.

These foregoing actions would result in a saving of 785 spaces which constitutes a 34 percent reduction.

(TS) The following actions, listed in order of priority, represent the 50 percent phase-down plan (Column IV, Annex A):

- a. (TS) Reduce United States Navy support personnel in Taipei by 84 spaces.

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EXECUTIVE ORDER 11652. AUTOMATICALLY DOWNGRADED
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b. (TS) Reduce United States Navy support activities at Taichung, Tainan, and Tsoying, thereby saving 30 spaces.

c. (TS) Convert the United States Naval Hospital, Taipei, to a Navy dispensary, with a saving of 59 spaces.

d. (TS) Reduce U.S. Army Communications Command (USACC) Taiwan by 163 spaces. This can only be accomplished by a reduction in mission requirements or by incurring significant unprogrammed communications contract service costs. This cost is estimated to be \$2.3 million annually.

(TS) The 100 percent phase-down plan (Column V, Annex A) requires the following actions, which are discussed in greater detail at Annex B:

a. (TS) Inactivate the Taiwan Defense Command, thereby saving 83 spaces.

b. (TS) Shift the security assistance functions of the MAAG to the U.S. Defense Attache Office, thereby saving 50 spaces.

c. (TS) Inactivate the USACC--Taiwan and transfer 138 communication manpower spaces to intelligence force levels, with an overall saving of 264 spaces. Estimated increase in annual cost is \$4.8 million.

d. (TS) Move the WRM now on Taiwan, plus that to be added upon withdrawal from Thailand, to CONUS for storage; discontinue use of depot repair facilities in Taiwan for depot maintenance on U.S. Air Force, U.S. Navy, and U.S. Marine Corps aircraft in the Pacific (there is no similar facility in the Pacific); and, reduce support personnel for the inactivated units as permitted by the unit inactivation schedule. These actions would permit a reduction of 759 spaces, e.g., WRM, depot maintenance, and support personnel functions overlap and utilize 759 spaces. Estimated increase in annual cost is \$59.9 million.

(TS) In considering the military functions the United States performs on Taiwan, there are specific operations/forces that should receive priority for remaining on Taiwan in the event of a phase-down of U.S. nonintelligence military forces. These are summarized in order of priority in Annex B.

(TS) In summary, we conclude that a 34 percent reduction is feasible and that minor additional reductions could possibly be achieved by merging some functions (e.g., TDC/MAAG) or by contracting for some services. However, cost considerations are extremely important and mission degradation becomes significant with greater reductions.

A.P. Clement

Attachments (2)

1. Annex A - US Forces on Taiwan (TS)
2. Annex B - Priority Forces (TS)

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PRIORITY FORCES (U)

This annex addresses the question: What US nonintelligence military forces do we absolutely have to retain for an indefinite period and why? Should a 100 percent reduction of nonintelligence forces be directed, then, by definition, no forces absolutely have to be retained. Discounting this, there are specific functions/forces that should remain as long as feasible. Following is a review of these functions/forces and a statement of the impact which would result should removal from the ROC be directed.

a. Taiwan Defense Command (TDC)

(1) The TDC is presently authorized 83 personnel (73 military and 10 civilian). The Commander, TDC, is the military spokesman in the ROC concerning US military policy, planning, and contemplated US force employment and coordinates activities of US Forces and military agencies in the ROC on all matters of joint concern. Key functions include:

(a) Conduct joint training of PACOM forces assigned or attached and plan for their employment in limited and general war operations.

(b) Develop and conduct bilateral exercises to assist the ROC in improving capabilities to support the Mutual Defense Treaty.

(c) Coordinate all CINCPAC-related US military intelligence activities in the ROC.

(d) Furnish administrative support to and policy guidance for US participation in the Joint Committee for Status of Forces Agreements.

(e) Emphasize to ROC Armed Forces the US/ROC common understanding of the restrictions on ROC offensive action.

(f) Coordinate on-island interservice support matters and logistic/transportation support, as applicable, for ROC Forces and military/nonmilitary US agencies and personnel.

(g) Staff and operate the All Source Information Center (ASIC), in support of CINCPAC and the National Military Command Center.

(2) While some reduction could feasibly be made below the current authorized level of 83 personnel, performance of the above functions would be seriously degraded. Although some of the functions

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could conceivably be performed offshore or by an element within the Defense Attache Office (DAO), efficiency and effectiveness would suffer. A 100 percent reduction would not only cause a serious degradation of US planning capability for the defense of Taiwan but may not be politically acceptable because of the implications that the United States would not be standing by its commitments under the Mutual Defense Treaty.

b. Military Assistance Advisory Group (MAAG)

(1) The MAAG is currently authorized 50 personnel (46 military and four civilians). The MAAG is essential to complete force modernization programs which place major emphasis on air and naval defenses. Key functions to be retained include:

(a) Assist ROC in planning and structuring its armed forces defense posture.

(b) Assist ROC in developing armed forces operational readiness status consistent with US standards.

(c) Assist ROC in development of joint service doctrine and operations.

(d) Develop and recommend US military security assistance plans for ROC supporting US objectives and policies.

(e) Observe and report on end-item utilization of MAP equipment and insure excess MAP property is disposed of in accordance with existing bilateral agreements.

(f) Advise and assist ROC in the purchase of military systems (Foreign Military Sales).

(g) Advise and assist ROC in the initiation, development, and management of military production consistent with US interests.

(h) Advise and assist ROC with grant AID and FMS training programs.

(2) The MAAG performs an important advisory role during a crucial period in the modernization of ROC forces. There are deficiencies in the ROC capability to defend the island, and the MAAG, through its advisory role and management of the MAP and FMS programs, provides valuable assistance in correcting these deficiencies.

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(3) It is possible to effect reductions in the MAAG. However, the advisory role and MAP/FMS management effectiveness would immediately be adversely affected. While it may be feasible to conduct some of the advisory roles from offshore or by an element within the DAO, and to conduct end-item utilization inspections and to manage the excess MAP equipment program on a TDY basis, these functions may not be accomplished with sufficient effectiveness to satisfy congressional requirements.

c. US Army Communications Command (USACC)--Taiwan. USACC--Taiwan currently has 427 authorized personnel (406 military and 21 civilians).

(1) The USACC--Taiwan operates and maintains the Taiwan portion of the high capacity Integrated Joint Communications System-Pacific (IJCS-PAC). IJCS-PAC provides a main-line route of communications from the Philippines to Fuchu, Japan. It also provides a bridge between the northern (Guam to Japan) and the southern (Guam to Philippines) commercial transpacific undersea cable routes connecting the Western Pacific and Hawaii and ultimately with CONUS. These facilities and certain operating personnel are required regardless of the size of the US military presence on Taiwan. Additionally, USACC-Taiwan operates and maintains essential communications subsystems, such as secure voice, secure record traffic, and dial central office, to support American Embassy, TDC, MAAG, intelligence activities, and other on-island units. Until such time as the missions of the supported agencies change, it will be essential to provide the personnel to operate and maintain the communications system in Taiwan.

(2) It is feasible to reduce significantly the US military personnel requirements for the USACC--Taiwan by US civilian substitution and contractual arrangements. However, there are limitations to these actions. A 100 percent phasedown, for example, will require 138 (134 military/4 civilians) communications manpower spaces to be transferred to intelligence force levels and an estimated annual expenditure of \$4.8 million for conversion to contractual operations to meet the requirements of residual intelligence activities and the IJCS-PAC. Similarly, as long as nonintelligence military personnel remain on Taiwan, there is a requirement for US military personnel to continue to operate security sensitive positions. The total number would vary with the level of nonintelligence agencies remaining and would be additive to the 138 personnel required for IJCS-PAC and intelligence support.

d. War Reserve Materiel (WRM) Storage. There are approximately 375 personnel assigned to this activity. Retention of existing WRM

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storage facilities and materiel on Taiwan is vital to the ability of the US Air Force (USAF) to meet its tasked JCS-approved CINCPAC operations plan/contingency requirements in the area. Withdrawal to CONUS of that portion of the total Pacific Air Force (PACAF) WRM stored on Taiwan would also preclude USAF compliance with OSD planning and programming guidance which requires all Services to pre-position in-theater sufficient WRM to support approved plans/forces pending the arrival of replenishment shipments.

(1) Munitions. Additional facilities for approximately 98,000 short tons of munitions will be required subsequent to US withdrawal from Thailand. Planned construction/upgrading of facilities on Guam will provide storage for approximately 75,000 short tons; however, this construction has been delayed for at least 1 year due to nonavailability of funds. Even upon completion of the Guam facilities, a shortfall of approximately 23,000 short tons will exist.

(2) Nonmunitions. Estimates made in conjunction with a USAF program to identify nonmunitions WRM storage deficiencies indicate a shortfall of approximately 298,000 square feet of storage space. Loss of Taiwan would increase this shortfall by approximately 90,000 square feet.

(3) If use of Taiwan is denied, WRM presently programmed for storage in that country will have to be withdrawn to the CONUS. This loss of storage capability and the possibility of further losses associated with the uncertain future of other US military bases in Northeast Asia (i.e., Kadena and Yokota) could have a significant impact on PACAF capability to implement JCS-approved CINCPAC operations/contingency plans in response to emergency/war situations.

(4) Cost. If the WRM presently stored in Taiwan and the WRM to be added upon withdrawal of USAF forces from Thailand would be transported to and stored in CONUS, the following costs would result:

(a) The estimated cost to transport this theater overflow WRM to CONUS is \$2,700,000.

(b) Annual CONUS contract storage costs would amount to approximately \$925,000 per year. When and if WRM should be returned to the Pacific Theater, as could be required to support execution of approved CINCPAC operations plans, return transportation costs would amount to approximately \$11,800,000, assuming strategic lift capability was available during the early stages of a conflict.

(5) While it is possible to make substantial reduction in the current level of authorized personnel for WRM storage (approximately 375)

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through contracting support for munitions/equipment maintenance, 75 military personnel would still be required to perform supervisory functions.

e. Aircraft Depot Maintenance. There are currently 70 personnel (34 military and 36 civilians) authorized for this activity.

(1) Air Force Logistics Command (AFLC) operates two detachments on Taiwan. These detachments operate depot repair facilities for USAF, USN, and USMC aircraft throughout Asia. MAP countries also utilize the capabilities and facilities of the AFLC detachments on Taiwan. Relocation/inactivation of the depot maintenance could only be done at great cost and degradation to the present depot maintenance requirements.

(2) Loss of the depot maintenance facilities on Taiwan would result in an approximate additive cost of \$46 million dollars to the USAF portion of the maintenance contract and \$13 million dollars to the Navy and Marine portion (per FY, based on current contract hourly cost differential between Taiwan and the United States). Other cost additives for which estimates are not available include those associated with longer ferry time of aircraft to CONUS vice Taiwan.

f. Support Personnel

(1) A 100 percent reduction of nonintelligence personnel would remove all support personnel presently on Taiwan, leaving the intelligence community completely without support. Since such support is necessary, 75 personnel (50 Navy and 25 Air Force) would be required to provide medical/dental service, personnel service, (administrative, postal, and morale-related), and logistics and transportation support for the intelligence community.

(2) Similarly, if some of the TDC, MAAG, USACC--Taiwan, WRM storage, and aircraft depot maintenance personnel remain on Taiwan, additional support personnel would be required to provide those agencies with essential support. The total number of support personnel required would, of course, vary with the total personnel remaining on Taiwan. Although not linear, the requirement would vary from 75 personnel (intelligence support only) to approximately 614 personnel

g. Summary

(1) In summary, there are functions/forces on Taiwan that rate priority for remaining on Taiwan and should remain as long as possible. The first two functions can be performed elsewhere or

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transferred to the DAO, Taipei, without major cost but would likely cause major political turbulence with the Republic of China. The third function can be accomplished by contracting for the majority of the communication service at significant unprogrammed cost cited above or by mission reduction. The next two functions can be accomplished elsewhere or by contracting for the service at a cost cited above. Support personnel relate to all of the functions remaining Taiwan and would be reduced as the supported functions below are phased down.

<u>Function</u>	<u>Number</u>
TDC	83
MAAG	50
USACC--Taiwan	427
WRM Storage	75
Aircraft Depot Maintenance	70

(2) Minor additional reductions could possibly be made by merging some functions (e.g., TDC/MAAG) or by contracting for some services.

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